

[PATENT]

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Filed: 10/04/2000

For: Vending Machine Service System and Method Therefore

Ex: Zeender, Florian
Inv: Kronenberg et al

Section 716.03 Affidavit of Commercial Success

Now comes Ira A. Kronenberg, an individual having a resident address of 776 CRYSTAL
ST NEW ORLEANS, LA 70134, who swears as follows:

1) I have been involved with the vending machine industry extensively for over fifty years, having practiced in all aspects of the industry from owner/operator of vending units to provider of software and hardware to vending units throughout the United States and abroad.

2) I am a past board member of the National Automatic Vending Association, an organization devoted to overseeing and organizing the vending machine industry, and the organization responsible for establishing and maintaining the DEX specification and standards requirements for assuring uniform communications between vending machines and devices utilizing DEX.

3) I established and held the position of President for the Vending Machine Operators of Louisiana.

4) I helped establish and was past president of the Vending Machine Association Of The Gulf South, which includes Louisiana, Mississippi, Alabama, Georgia, and Florida.

5) I established Compuvend Systems, Inc., a Louisiana Corporation, in 1983 to provide software and hardware add-ons to the vending machine industry for accounting, management, inventory, and servicing. I hold the position of President of Compuvend Systems, Inc.

6) I have worked with many companies to pioneer and test different technologies in the vending industry including many responsible for collecting and providing information from vending machines, including:

a. I Worked with engineers at Coin Acceptors Inc. in the early 80s, to integrate their "Gold Box" technology into one of Compuvend's computerized products. The "Gold Box" collected only cash sales information and transmitted that to a collection device using induction technology, where the receiver had to be pressed against the vending machine. Coin Acceptors sells coin changers and bill validators internationally.

b. I Worked with Mars Electronics in the early 80s, who had a competing system to Coinco, and transmitted the information to a collection device using infrared technology. Mars Electronics sells coin changers and bill validators internationally.

c. I Worked with Compuline Corporation to develop and field test a technology to collect product information from machines, and transmit this information via infrared.

d. I have worked with Greenwick Corporation to help develop a technology which pre-dates DEX, to get cash information from the vending machine via an infrared transmitter to a infrared receiving device.

e. I have worked with Audit Systems Corporation, who makes a retrofit device to collect DEX data from machines that do not have DEX capability, to do field testing of their devices, including having an engineer on site in our office working with our vending equipment.

7) In the late 90's Compuvend was approached by several companies such as ATT, Motient, and AES that wanted to sell airtime which would send the information to a collection site and then via the web that information could be downloaded to the corporate office. They did not have the capability to record or transmit information from the vending machines. In our research we found that these technologies were far too expensive to justify the investment for a vending operator and basically there was no market from the industry because of the cost.

8) I am aware of two companies had tried to market technologies using satellite technology to get the information back to the corporate office, and both of these companies went out of business.

9) In my over fifty years of experience in the vending machine industry, I am of the opinion that vending machine telemetry systems of the past have either been unduly complicated, unreliable, inflexible, and expensive, or have lacked the compatibility necessary for implementation with off-the-shelf vending machines, and there has accordingly existed a long-felt but unresolved need for a relatively easily implemented, cost effective, reliable system for telemetry of vending machine data to a local reception area.

10) Based upon the above, I am known in the industry as being familiar of all types of commercially implemented vending machine data collection, management, and communication techniques, procedure, equipment and devices for transmitting and receiving data from vending machines, as well as methods of managing vending machines utilizing transmitting and receiving devices.

11) In the late 90's I knew of no technology that could collect information from vending machines and send that information directly to route drivers in their service vehicle, to allow them to begin to service machines upon arrival.

12) Based upon a perceived need in the industry, I conceived of the invention documented and claimed in the present '915 application, to provide a relatively easily implemented, cost effective, reliable system for telemetry of vending machine data to a local reception area, and began research and development on the system of the present invention in 1998.

13) After much development and testing, the invention of the present application was reduced to practice and built with prototypes completed in 2000, with the first marketing and sales occurring in October of 2000, under the trademark BUZZBOX, by Compuvend Systems, Inc. Brochures currently used to describe the BUZZBOX product are attached hereto as Exhibit C.

14) From its introduction, the BUZZBOX was recognized as a significant new and unique product, and it has gained much attention in the media, having appeared in numerous trade publications, magazines; further, the Cable News Network (CNN) included it in a piece they aired about new technologies in the vending industry. See Exhibits A&B regarding the CNN feature, and

Exhibits E, F and H for articles on the BUZZBOX in nationally recognized trade journals. These publications include recognitions that BuzzBox is a unique and cost effective way to utilize wireless technology, increase route driver productivity, and reduce the amount of time that route drivers spend servicing machines, as well as increasing sales per machines.

15) From the beginning, Compuvend Systems, Inc. had inquiries on the BUZZBOX product from around the world, because other workable, cost effective solutions did not exist.

16) We have shipped BUZZBOXES to as far away as Nigeria, Africa for use in vending equipment there. Vending did not exist in Nigeria and when the first company started operations last year, they wanted to utilize the very latest technology that would make sense and help make them successful. BUZZBOX fulfilled that need. See Exhibit H.

17) Compuvend has sold over 5000 BuzzBox units to date, a number which I verily believe is indicative of the invention's commercial success, and a recognition that this product is truly unique in its operation, providing unparalleled cost effectiveness and reliability, as it is the only system which incorporates the disclosed and claimed methods and apparatus of the present patent application, including the method steps of:

a) compiling vending machine data to update sales and cash flow information, providing operational status data on each machine, and appending machine ID information to said operational status data, so as to provide a separate, updated data stream for each machine,

b) repeatedly transmitting each said updated data stream utilizing mono-directional RF transmission only, via a separate transmitter associated with each vending machine;

c) adjusting the transmission characteristics of each of said individual transmitters associated with each machine, providing multiple overlapping transmissions from separate transmitters to a designated reception area;

d) repeating steps a) - b), while

e) positioning a service vehicle within said reception area;

f) receiving said multiple overlapping transmissions from each of said separate transmitters from said service vehicle within said reception area, providing multiple received data streams, and

g) utilizing said multiple received data streams to pull inventory from said service vehicle to stock and service each said vending machine.

18) Further, I am not aware of any prior art device which utilizes the above method combined with the further steps of: stocking each machine, replenishing change utilizing said cash flow data, then resetting each machine at the machine location.

19) Further, I am not aware of any RF vending telemetry system as compatible with a multitude of various off-the-shelf vending machines providing DEX/UCS data, other than the present BUZZBOX system embodied in the present patent application.

20) Further, I am not aware of any other system except the present invention which provides a data stream including machine ID, location, and inventory, cash, operational status, and other data utilizing the method of paragraph (17), above, combined with the step of inputting data from said received data stream to a portable computer at said service vehicle, so that said portable computer indicates to the route operator the order of servicing each vending machine, and the location and identification of same, so as to provide the best route to follow in servicing said vending machines, as well as to assist the service operator to pack the inventory in the best order for said servicing.

21) In my opinion, the apparatus and methodology embodied in the mono-directional wireless communication system implemented and claimed by my application sets it apart from the prior art. Further, the BUZZBOX comprises, as far as I am aware, the most cost effective and reliable product for wireless relaying vending machine data to a local reception area for reception by the service vehicle, which I believe is the reason for its market acceptance, recognition, and commercial success. See Exhibits F&G.

22) In my opinion, the commercialized version of the present invention, the BUZZBOX, provides a new and heretofore unavailable product for service vehicle retrieval

of vending machine data. In fact, the industry has adopted the term "curbside polling" to designate a system whereby vending machine data is transmitted to a local reception area to a service vehicle, which term was first coined by myself and Mark Kronenberg to describe and commercially promote our system. See Exhibit D.

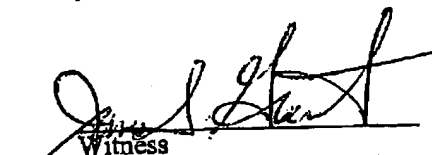
23) Before the BUZZBOX, there was no viable "curbside polling", whereby a service vehicle received RF data direct from the vending machine, and BUZZBOX was, as far as I am aware, the first product to provide "curbside polling" in significant commercial quantities. Since the introduction of the BUZZBOX, the industry has adopted "curbside polling" to describe the operation of the BUZZBOX as well as designating a new product field or market which heretofore was not viable. Therefore, it is believed that the Compuvend BUZZBOX established a new product market which heretofore has not existed, which market is dominated to date by the Compuvend BUZZBOX. See Exhibit F where a BuzzBox customer states: "CompuVend is the only supplier of curbside polling devices..".


24) Lastly, I am of the opinion that the present invention and commercialized BUZZBOX counterpart fulfills a long-felt, but unresolved need in the vending machine industry, by providing a system which is compatible with the widely used DEX/UCS protocol, and would appear to work with a variety of different types of vending machines and location scenarios, as well as under a wide variety of environmental conditions, which features have led to its commercial success in the BUZZBOX, and which commercially attractive features are attributable to the methodology claimed in the present application, including those summarized above, as well as flowing from the functions and advantages disclosed or inherent in the specification of the present application.

In conclusion, I verily believe that the commercialized version of the present invention, the Compuvend Systems, Inc's BUZZBOX, has attained commercial success in the industry by virtue of its thousands of sales to date, world-wide recognition and market acceptance, as well as extensive media attention, and further that it does indeed fulfill a long-felt but unresolved need in the vending machine industry, and I believe that this system is truly

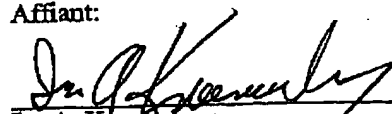
revolutionary as it provides a new option to vending operators which did not exist heretofore, which improvements are set forth in the claims of the present application.

Sworn this 27th day of September, 200 4, in Metairie
Louisiana.


Witness


Witness

Affiant:


Ira A. Kronenberg

BENJAMIN W. BRONSTON
Notary Public, State of Louisiana
My Commission is for Life.

Sworn this 27th day of September 2004.


Notary

Commission expires: at death

BENJAMIN W. BRONSTON
Notary Public, State of Louisiana
My Commission is for Life.

EXHIBIT LIST**Exhibit****Description**

A	Compuvend Systems, Inc. (CSI) Announcement regarding CNN Story, in 10/2002
B	CSI Announcement regarding October 26, 2002 CNN Feature
C	Collection of current CSI Brochures regarding BuzzBox System (10 pages)
D	CSI BuzzBox Advertisement
E	Buzzbox Featured from Vending & OCS magazine, Jan/Feb 2003.
F	BuzzBox Featured in Automatic Merchandiser Magazine, June 2004
G	Buzzbox testimonials (undated)
H	Feature Story regarding Nigerian BuzzBox Operation in Vending Times Magazine, September 2004.

CNN puts **COMPUVEND®** in the National Spotlight!

COMPUVEND MAKES NATIONAL TV

BuzzBox, the curbside polling system developed by CompuVend of Metairie, LA, was featured on CNN's "Weekend Technology Report" on October 26-27, shortly after the NAMA meeting in Atlanta.

By telling the route driver if the machine needs to be serviced right from the truck, and telling the route driver how much of each product the machine needs right from the truck, as well as change needs, CompuVend cites a reduction in time needed to service an account by 50 percent.

Vending & OCS, November/December 2002, p. 62

See the January-February 2003 issues of *Vending Times* and of *Vending & OCS* for more feature articles on CompuVend's latest technological advances. See how ProStar Services of Dallas, Texas, is using DEXBuzzBox®!

www.compuvend.com • 1-800-341-7677 • www.dexbuzzbox.com

EXHIBIT "A"



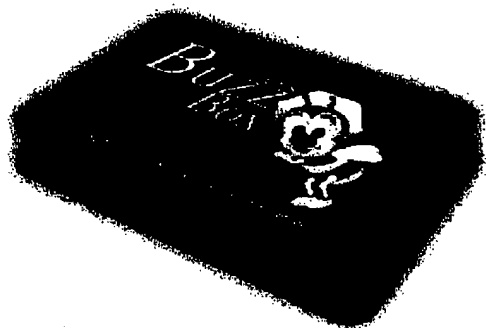
COMPUVEND MAKES NATIONAL TV: BuzzBox curbside polling was featured on CNN's Weekend Technology Report October 26, 2002 shortly after the 2002 NAMA convention in Atlanta.



2002 NAMA participants attended CompuVend's Profit Improvement Seminar, featuring an introduction to BuzzBox curbside polling, which can reduce route service costs by as much as 50%..

EXHIBIT "B"

Easy to Install, Easy to Operate.



The *BuzzBox Transmitter* (above) installed in each vending machine constantly sends out up-to-the-minute DEX data on product sales and changer usage.

Each route truck is equipped with a *BuzzBox Receiver* (right). At each stop on the route, this unit receives DEX transmissions from all machines in the area. This information includes the required quantity of every product in each machine, plus the amount of change needed to refill all the changer tubes.



The driver uses the *PickMaster handheld computer* (above) to control the receiver and printer, to collect route service data, and to link up with a Host PC at the end of each day.



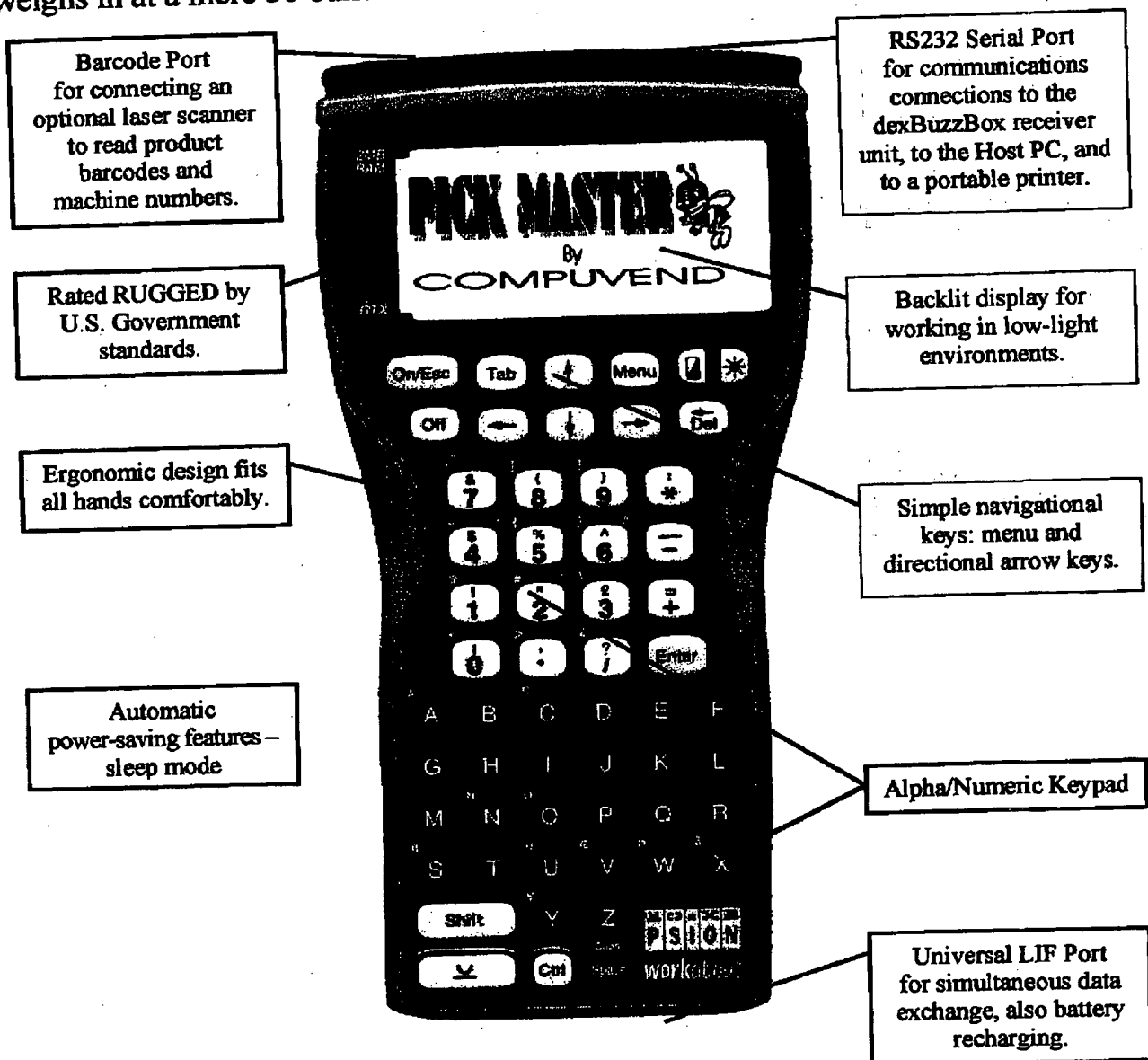
A *portable serial printer* (above), installed on the route truck, can generate printed *picking tickets* that show the required quantity of each product. (Optional.)

EXHIBIT "C"

DEX Buzz Box[®] Handheld Computer Features

The PickMaster[®] handheld computer is certified as rugged. It can be powered by a rechargeable NiCad battery or by two standard "AA" batteries. The PickMaster[®] system requires 2MB of memory and a minimum of 1MB for data storage.

The PickMaster[®] handheld computer is compact in size – 7.5" x 3.6" x 1.75" – and weighs in at a mere 30 ounces.

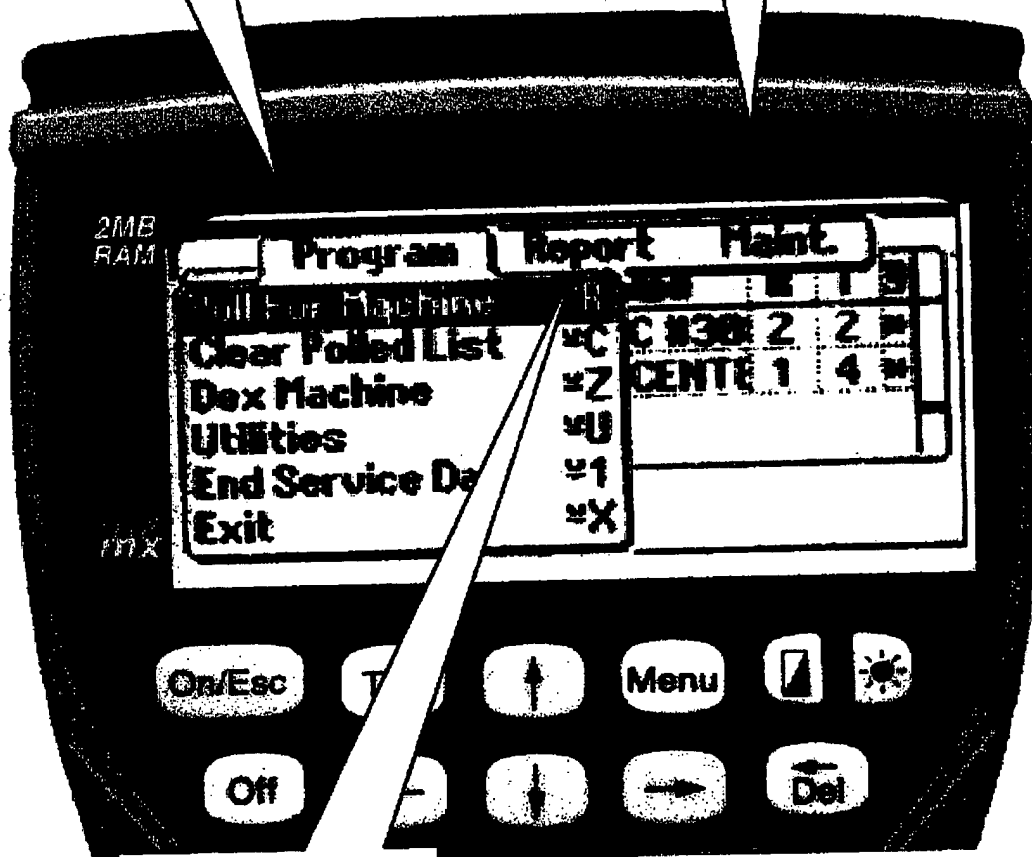


When a driver starts a DEXBuzzBox[®] session, this is what he sees.

The PickMaster[®] software system, used to manage DEXBuzzBox[®] transmissions, is extremely easy to use. The driver can navigate to the desired menu by using the left and right arrow keys, and then can select a function to run by scrolling through the list of options with the up and down arrow keys.

The "Program" tab
brings you to the
polling menu.

The "Maint." tab
brings you to the
file maintenance menu.



The "Report" tab
brings you to the
Daily Recap menu.

When a driver selects "Poll for Machine," this is what he sees.

Here, the truck is parked outside the Maritime Building; PickMaster® has received DEX data from all 10 of the machines inside, plus 1 of 2 at the Administration Building (several blocks away) and all 4 at the Engineering Building (which has already been serviced, as indicated by the asterisk).

Now the driver simply uses the up and down keys to select the location(s) to be processed. In our example, only the Maritime Building needs to be selected.

This screen shows a list of all the locations from which PickMaster® has received DEX data transmissions from DEXBuzzBox®-equipped vending machines.

The column headed "R" shows the number of machines whose DEX data has been *received*.

PICKMASTER 1.08

CODE	Location Name	R	T
A650	Maritime Bldg.	10	10
A980	Admin Bldg.	1	2
A650	Engineering Bldg.	4	4*

The column headed "T" shows the *total* number of DEXBuzzBox®-equipped machines at this location.

An asterisk (*) in this column indicates a location where all machines have already been polled and serviced.

When a driver displays the list of machines at a selected location, this is what he sees.

When the driver selects a location whose DEX data has been received, the screen displays a list of every machine at the location whose data was transmitted. Not every machine will need service every time the driver visits a location. To help decide which machines to service, this screen shows a *percent-empty* value for each listed machine, plus an indication whether the machine contains any *empty columns*.

This screen shows a list of all machines at the selected location from which PickMaster® has received DEX data.

The column headed "%" shows each machine's *percentage empty*. The first two machines listed (only 8% and 10% empty) have not sold enough to justify service at this time.

2MB
RAM

Loc: A650 Maritime Bldg.

CODE	Machine	*	%
1010	Can Drink 2d Floor E	N	8
1014	Snack 2d Floor E	Y	10
1016	Can Drink 2d Floor W	Y	40
1018	Snack 2d Floor W	N	48
1020	Can Drink 3d Floor W	Y	53

The first column shows the ID Code for each vending machine.

The second column shows the name (description) of each vending machine.

A "Y" in this column alerts the driver that there are currently *one or more empty columns* in the machine. Any machine with an empty column should be serviced, even if its overall percentage-empty is low (such as Machine 1014).

When a driver displays the list of products in a selected machine, this is what he sees.

When the driver selects a machine from the location screen, the screen displays all the product positions (columns, spirals, etc.) in that machine, the product assigned to each position, and the number of units needed to fill each column to its par level. The amount of change needed is also shown.

The driver can then simply pull the products needed for each machine, working directly from the screen. If desired, a paper picking ticket can also be printed.

The first column indicates the *Grid ID* for each column (product position).

The second column shows the *Product ID* currently stocked in each column.

The third column shows the *Name* of the product currently stocked in each column.

2MB RAM

NEW MACHINE SERVICE [1010]

Grid	Prod	Product Name	U
A01	973	Cola 12ozCan	87
A02	967	DietCola 12oz Can	39
A03	975	LemnLime 12ozCan	58
A04	990	RootBeer 12ozCan	31
A05	980	Orange 12ozCan	14

CHANGE: -15.00

mx

The bottom line on the screen indicates whether the machine's changer needs to be restocked with coins. A negative number (like -15.00, as shown here) indicates the amount that should be *added* to the payout tubes of the machine's *coin changer*.

The column headed "U" shows the *number of Units vended* since the last service for each product column. This will normally equal the quantity needed to refill the column back to its par level.

Drivers can print their own picking tickets.

```
*****
*          PICKING TICKET BY MACH          *
*****
DATE:11/09/2002 : 03:30:44 E69583
MACH:691  CAN DRINK
LOC :A650  ARMY RESERVE CENTER
*****
GRID PROD#  DESCRIPTION                U#  P#
-----
A01  973    COLA,CAN 12 OZ              87  120
A02  967    COLA,DIET CAN               39   60
A03  975    LEMON-LIME,CAN             44   60
A04  990    ROOT BEER,CAN              31   60
A05  980    ORNGE,CAN-12OZ             14   60
A06  2089    SPRING WATER-BTL           24   48
A07  1015    FRUIT PUNCH-BTL           28   48
=====
CHANGE:-15.00
=====
```

Your DEXBuzzBox® installation can be equipped, as an option, with a *portable serial printer* installed on each route truck to print *picking tickets* like the one shown here. The truck-based printer can also be used to print the Daily Recap Report (see next page), which summarizes all route activity at the end of each day.

The printed picking ticket provides the same information that is displayed on the handheld computer's machine-service screen, as shown on the preceding page. Those who prefer not to work from the screen when pulling products from the truck can use the optional truck-based printer to generate paper picking tickets for themselves.

When a Manager Prints the Daily Recap Report From a Driver's Handheld Computer, This Is What He Gets:

```
*****
* DAILY RECAP REPORT *
*****
RESET: 8day 1hr 24min
SERVICED: 11/09/2002 03:30:44
LOC: A650 ARMY RESERVE CENTER
MACH: 691 CAN DRINK
*****
GRID PROD# DESCRIPTION F I#
-----
A01 973 COLA,CAN 12 OZ 87 120
A02 967 COLA,DIET CAN 39 60
A03 975 LEMON-LIME,CAN 44 60
A04 990 ROOT BEER,CAN 31 60
A05 980 ORNGE,CAN,12OZ 14 60
A06 2089 SPRING WATER,BTL 24 60
A07 1015 FRUIT PUNCH,BTL 28 48
=====
CASH: $ 186.40
CHANGE: $ 15.00
BILLS: $ 116.00
COINS: $ 55.40
TOTAL SALES: $ 171.40
EMPTY: % 57.05
COL EMPTY: 0
=====
```

```
*****
RESET: 2day 0hr 46min
SERVICED: 11/09/2002 03:38:17
LOC: A650 ARMY RESERVE CENTER
MACH: 865 SNACK
*****
GRID PROD# DESCRIPTION F I#
-----
A01 79 LAYS REGULAR 11 12
A02 78 FRITOS REGULAR 9 12
A03 80 DORITOS NACHO 10 10
A04 76 CHEETOS FRIED 6 12
B01 229 SNACKWELL CEREAL BAR 8 24
B02 225 NAT VLY OAT/HONEY 13 24
B03 197 RED HOTS 16 30
B04 196 SOUR WARHEADS 5 24
C01 181 JOLLY RANCHER 18 24
C02 173 NESTLE CRUNCH 14 30
C03 152 SNICKERS 20 24
C04 153 M&M PLAIN 13 30
=====
```

```
=====
CASH: $ 138.50
CHANGE: $ 11.00
BILLS: $ 105.00
COINS: $ 23.50
TOTAL SALES: $ 128.50
EMPTY: % 49.67
COL EMPTY: 1
=====
```

The Daily Recap Report gives the manager a listing of the day's activities broken down by route, by location, and by machine.

The Daily Recap Report can be printed directly from the handheld computer to a serial printer (truck-based or stationary), or it can be uploaded to the host computer. Once on the host PC, this report can be either viewed on screen or printed.

The sample at left shows complete data for one can drink machine, plus *part* of the report for a snack machine – the first dozen snack products, plus machine totals for all products in the machine. When the complete report is generated, subtotals are provided for each location and for each route.

MACHINES WITH RESIDENT DEX

Manufacturer	Model Number
AMS	Glassfront
	Visi Combo (snack & can drink)
	Cold Food
AP	111 Snack
	112 Snack
	113 Snack
	120 Snack
	Studio Series
	223 Coffee
	422 Coffee
	320 Food
Coinco	9370SR Changer
Dixie Narco	SII
	SIID
	SIID
	Coke DN5000 Glass Front
	DN5500
	DN2145
ECC	2145
FastCorp	F631
	All MDB models
Fawn/USI	Snack Mart IV
	Snack Mart VI
	Snack Mart 5700
	HR40 Snack Vendor
	Combo300
	CB700 Can/Bottle Vendor
	HBA10, 11, 12, 14 Coffee
	Dairy Vendor
GPL	159/160 Snack Vendor 1&2
	172/173 Snack Vendor - shallow
	427 Food King
	429 Food King
	467/468 Snack Vendor 1&2
	490 Snack Combo II
	491 Chilled Snack / Cold Food / Can
	493 Snack Combo 3 Fresh Brew
	630 Fresh Brew - FB5
	638 Freeze Dry - FD4

Manufacturer	Model Number
National	157/167 Snack Center 1
	158/168 Snack Center 2
	257/267 Cigarette 1
	258/268 Cigarette 2
	327/328 Drink Center
	363/364/385/386
	Twin Drink Center
	428 Food Center
	431 ShopperTron
	452 Snack Vendor 600
	453 Snack Vendor 500
	464/764 Chilled Snack Center 1
	465/765 Chilled Snack Center 2
	484/784 Refreshment Center 2
	485/785/486/786 Refreshment Center 3
	487/787 Chilled Refreshment Center 2
	488/788 Chilled Refreshment Center 3
	489/789 Chilled Refreshment Center 3
	490 Snackcombo II
	492 Refresh Center 3
	497/797 Refreshment Center 4
	(Expanded Can)
	498/798 Refreshment Center 4
	(Expanded Food)
	631/639 Euro Twin
	633/635/637 Hot Drink
	634/636 Euro Coffee
	653/655/657 Hot Drink Center
	721 Outdoor Snack
Rowe	548/648
	5900
	772/777/778 Air Cooled Deluxe
	782/787/788 Deluxe
Royal	791/792/794 Snack Changer Combo
	Merlin 1 & 2 with 2000 controllers.
	Merlin 3
	Merlin 4 Coinco or Versatile Controller
	GII
	GIII
Vendo	GIII
	Univendor 2
	V-Max Models
	V21 Models

This list is based upon information received from each manufacturer. CompuVend has not tested and verified that all models are DEX capable.

DEX Buzz Box[®]

It's Easy

To Install

1. Simply Velcro a Buzz Box into each vending machine.
2. Plug Buzz Box into the machine's DEX outlet.
3. Mount the Buzz Box receiver in your truck.
4. Plug the DexMaster/PickMaster computer into the receiver.
5. Install printer to generate picking tickets for your driver.

To Operate

1. Driver arrives at place where he normally parks the truck.
2. Issues the command on the handheld to poll for machines.
3. Checks the poll results to see if the machines need service.
4. Prints picking tickets for machines that need service.
5. Fills the machines, takes cash meter readings and pulls the money
6. He's back in the truck and on to the next location in half the time it used to take.

To Maintain

1. Comes factory preset for standard operations
2. No adjustments required after initial setup
3. No cleaning required
4. Onboard memory keeps data during power outages
5. Plug it in and it works.

COMPUVEND

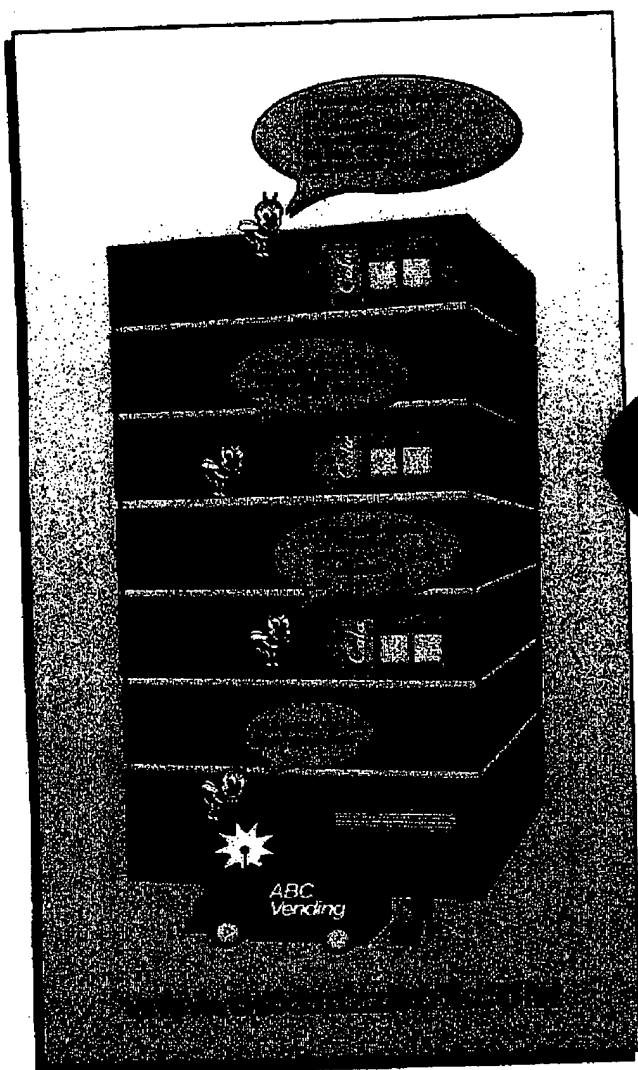
Software that makes more money for you

800-341-7677

www.dexbuzzbox.com ~ www.compuvend.com

**Your product, truck cost and labor cost
are about the same as your competitors.**

**The only way you can beat them
is to reduce your cost per service!**



DEX Buzz Box

curb-side polling system

*Will reduce your
route drivers'
service time up to*

50%



What does it do?

Tells the driver if the machine needs to be serviced, right from the truck.

Tells the driver how much of each product the machine needs, before leaving the truck.

Tells the driver how much change the machine needs, from the truck.

Tells you exactly how many of your bills and coins should be brought in from each machine.

**Tested in over 1000 locations,
worldwide!**

For more information please contact:

COMPUVEND, INC.
Software that makes more money for you!

1-800-341-7677
sales@compuvend.com

EXHIBIT "D"

INDUSTRY FEATURE

Curbside Polling Improves ProStar Route Efficiency

Curbside polling is in place at ProStar's service centers, and it is being expanded to its regional offices. The new "Curbside Polling" system, installed on glass-fronted machines, is reducing service time while providing automatic information about products and cash.

"We are already making route productivity gains from 15 to 30 percent," Harry Parks, President, comments of the recent addition of the new service process. "The process makes them more accountable and more efficient."

ProStar covers the Dallas-Ft. Worth market with 14 merchandise vending routes and 16 for OCS. In vending, the routes are dedicated by product category—can/bottle drinks, hoodies, cream/vending coffee and snacks.

Curbside polling is utilized on approximately 150 snack machines. Their wider selection of vending

items offers the most benefits for the system.

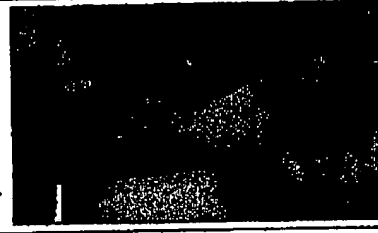
Machines must be equipped with DEX meters for a radio transmitter placed in the vendor to be operational. When the driver arrives at a location, information is sent to the truck from the machine inside the building which details the product quantities required as well as the amount of change needed for the machine.

This eliminates the need and time required for the driver to first go inside the machine, determine the needs and return to the truck. It speeds the entire route procedure. If additional service is required, the driver can immediately proceed to the next account. The data has been transferred to a handheld from the radio receiver in the truck.

"Every vendor is accountable to us and we are able to track their performance," says Parks. "The system is important. Curbside polling leads to



most of the 95% from these options are cash transactions included in the vending machine and the route driver's book. ProStar's HARRY WALL, above photograph, is a snack vendor. Below is a photograph of HARRY WALL, above photograph, is a snack vendor. Below is a photograph of HARRY WALL, above photograph, is a snack vendor.



ProStar's HARRY WALL, and HARRY WALL, above photograph, is a snack vendor. Below is a photograph of HARRY WALL, above photograph, is a snack vendor.



less expense by reducing service time, the wear and tear on both machines and vehicles is not as great. It helps in developing service schedules and also improves the fuel efficiency of our route trucks.

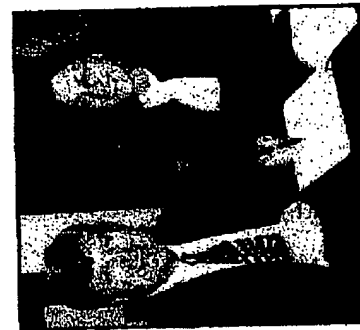
ProStar services a number of diverse accounts ranging from small businesses, distribution centers and state agencies. DEX Route Book is a system used by ProStar in its operations within metal, warehouse, high-rise, concrete and steel production facilities and wooden structures.

"This is a big effort and commitment," Mr. Parks concludes. "Management must be dedicated to the project. When problems arise they have to be solved immediately. It is a team effort. We have to have to be solved immediately. It is a team effort. We have to have to be solved immediately. It is a team effort."

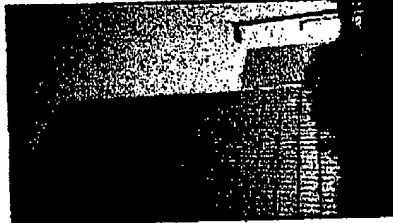
The average ProStar snack route is composed of 75 vending machines. The DEX information can be accessed by the driver's handheld from the truck.

The average ProStar snack route is composed of 75 vending machines. The DEX information can be accessed by the driver's handheld from the truck.

Complaints MARK KROMBERGER, representative VENDOR GARRIGLIA, ProStar route after upon completion of the "Baz" Bar vending machine. An example of the system's use is the fact that the system is used by the vendor to check machine cash and inventory, resulting in saving of valuable service time.



RUSBY RUSBY and MARK KROMBERGER, above photograph, is a snack vendor. Below is a photograph of RUSBY RUSBY, above photograph, is a snack vendor.





2004 State of the Vending Industry Report

What Operators Are Saying

Adolph's Vending Service, an eight-route operation in Dallas, Texas graduated from DEX handhelds to curbside polling about one year ago. The transition from handhelds to monitoring the machine from the truck was simply an evolution in the company's use of DEX technology, noted Paul Hetzer, deputy general manager.

An evolution from handhelds to curbside polling

Hetzer said the company initially looked to DEX to improve cash accountability. DEX handhelds eliminated meter-reading errors. Once this was accomplished, the company began looking at reporting column-level sales to determine what were the better-selling products.

The CompuVend software allowed the company to develop pick lists based on each location's sales history, Hetzer said. Orders were also based on individual machine's par levels. "CompuVend is the only supplier of curbside polling devices, and as a CompuVend customer, it was a slam-dunk transition for us," said Hetzer.

The curbside polling eliminated the need to go to the machine to finalize what was needed in the machine, Hetzer said. The CompuVend BuzzBox® sends the data from the machine to a receiver in the truck via a radio signal. The driver then plugs his handheld, the same one he used to plug into the machine, into the receiver and downloads the machine inventory. He can then print a pick list using a mobile printer in the truck. The box also relays coin mech inventories. "The BuzzBox® saves you a trip (to the machine)," he said.

The driver then goes to the machine and plugs the handheld into the machine to update the cash reading done in the truck.

Once the machines were fully "DEXed," Hetzer observed, the BuzzBox® was easy to integrate in the route accounting system. The hard part was getting the machines fully "DEXed" to begin with. This has been an ongoing process.

The company is not "DEXing" its coffee machines and food machines at present, although Hetzer said this will come.

Since the food machine is usually serviced frequently to pull stale, the company didn't see as much benefit in polling this machine. Hetzer says they are DEX auditing the coin mech on some of the food machines.

The company also thinks there is more reasons to audit the coffee machine now that there are more coffee selections. Column-level sales data will allow them to know what coffee selections are selling the best.

Driver cooperation is essential for success

Hetzer was not the only manager to note that an integral part of implementing DEX in a company is driver cooperation. "If the route man is not doing something he must do, you're not going to reap the benefits," he said.

Once drivers are trained in the system, however, they usually benefit from it — particularly if they are paid on commission.

"The software and the program all save him lots of time and help him be more productive," Hetzer said. "It does require paying attention to details."

Hetzer said the product use reports are helpful not only in maximizing sales and rebates, but with customer relations. "Sometimes it's very interesting that all those 'healthy' people are not buying those healthy products."

"BuzzBox & DEX work for us!"

Testimonials from Satisfied Users of DEXRouteMaster® and DEXBuzzBox®

Finding ways to make labor more productive is important; with BuzzBox, we are already seeing route productivity gains from 15 to 20 percent. Curbside polling leads to less expense by reducing service time, and by cutting down on wear and tear on both machines and vehicles. It helps us develop improved schedules and also improves the fuel efficiency of our route trucks.

Randy Parks, ProStar Services

DEX has allowed me to track cash over/shorts without worrying about the fluctuation in the coin tubes. Utilizing DEX to track "Coins To The Money Box" and "Bills To The Stacker," I have reduced my machine cash over/shorts to just nickels and dimes.

Steve Hoffman, Snack Vending

DEX provides the best way to make sure the money comes home. It's the best way to reduce your cash shortages, account for your products, and better merchandise your machines. And best of all -- it's easy!

Tim Boyd, Boyd's Vending

Route personnel understand that speeding up service time will lead to greater commissions.

Henry Wall, ProStar Services

DEXRouteMaster has allowed me to reduce my sales from 3.8% to 0.8%!

Steve Hoffmann, Snack Vending

Utilizing DEX allowed me to reduce the service time on my machines because the drivers no longer needed to count down each column. At the same time, the accuracy of all route information has significantly increased.

Tim Boyd, Boyd's Vending

A route now producing \$360,000 in annual sales can be moved to \$420,000 through greater location servicing with a net gain of potentially \$30,000.

Randy Parks, ProStar Services

One of the reasons I bought the BuzzBox curbside polling system is for the time savings when servicing our machines. The other reason is that, just like every other product I bought from CompuVend, it worked like they said it would, and I like dealing with people that know the vending business.

Kenneth Hilliard, Vending Manager, Stephen F. Austin State University

When we told our employees that we were about to equip and train them to use the RouteMaster system, we let them know we would be cutting their commissions by one percent but that their increased sales would undoubtedly result in higher pay for them. In fact, our lowest-paid driver went from making \$26K per year all the way up to \$32K. Our only mistake was not cutting the commission rate even further.

Charles Ingram, Vending Manager, ABC Vending

Ask us how your drivers, like Charles', can help pay for your BuzzBoxes!

EXHIBIT "G"

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READY TO GO: CompVend vice-president Mark Kronenberg (left) and Chiserve supervisors, route managers (drivers) and technicians to celebrate completion of their initial training with CompVend handheld route computers, warehouse scanners and "BuzzBox" outside vendor polling devices at company headquarters in Lagos, former capital of the developing Nigeria. Chiserve is establishing a nationwide vending operation in the oil-rich nation, using the latest technology to maintain tight control over inventory, machine sales and revenues.

Nigerian Vending Pioneer Adopts CompVend Technology

LAGOS, Nigeria — Chiserve Vending, a groundbreaking multi-branch operation, is installing CompVend Systems' data retrieval and analysis technology to keep close track of sales and collections.

CompVend vice-president Mark Kronenberg recently traveled to Lagos to help train the Chiserve staff in the use of handheld computers and the "BuzzBox," CompVend's curbside audit and inventory monitoring system.

Chiserve is the first major vending company established to meet Nigeria's growing need for efficient away-from-home refreshment and sundries retailing.

Starting from scratch, Chiserve is able

to adopt the latest vending technology and handle issues with "legacy" equipment. The company plans to track all operational aspects from the outset. Its field service force is equipped with handheld route computers to collect information automatically by DEX transfer. Handhelds also are used to scan and track all inventory. This permits timely and accurate reporting.

Chiserve drivers (called "route managers") also will benefit from CompVend's "BuzzBox" in their vehicles. "BuzzBox" polls machines in a location from the route truck outside, specifying exactly what's needed to restock the machines without the need to walk past them first. This technology will allow Chiserve to handle more equipment with fewer people, CompVend pointed out.

Royal Vendors is supplying the DEX-ready equipment to Chiserve, which plans to vend not only cold drinks but also snacks and prepaid telephone cards.

The operation requires strong accountability controls to manage machines that will be placed all across Nigeria, which is more than twice the size of California and has a population of 137 million.

Headquartered in Metairie, LA, CompVend Systems is a leading provider of management software for vending, food service and coffee service operations.

Miami-Dade Schools Adopt 'Nesquik' Vending Program

MIAMI — Miami-Dade County Public Schools will offer students "Nesquik" low-fat (1%) flavored milk in all senior high schools in "Nesquik"-branded vending during the coming school year.

Through the new partnership, MDCPS will install 150 machines in 32 senior high schools by the start of the 2004-2005 term.

Students can choose from five flavors: Chocolate, Very Vanilla, Strawberry, Double Chocolate, 1% Low Fat Milk, and Fat-Free Chocolate in chilled, 14 fl. oz. resealable bottles. Each 8 fl. oz. serving of milk provides nine essential vitamins and minerals that youngsters need for healthy development, including 40% of their daily value for calcium, plus protein.

Last school year, MDCPS piloted a "Nesquik" low-fat milk vending program in 17 senior high and middle schools, and decided to expand the initiative following its success.

North County Implements USA Technologies 'e-Port'

MALVERN, PA — North County Vending (Vista, CA) has selected USA Technologies' "e-Port" cashless transaction solution to immediately convert several hundred vending machines to accept credit cards instead of cash.

North County, which owns and operates more than 16,000 vending machines nationwide, is installing the "e-Port" cashless transaction terminal to improve security, enhance customer convenience, and to add remote auditing capability.

The first 300 machines converted to cashless operation are being installed in properties run by some of the biggest hotel chains in the US, including Sheraton, Marriott, Wyndham, Holiday Inn, Crown Plaza, AmeriSuites and Motel Super 8.

"We decided to convert our vending machines from cash to credit primarily for the added convenience and ease of use," said Mark McDonald, vice-president, operations for North County Vending. "However, we are also experiencing other benefits. Since installing the 'e-Port' in some locations, we have noticed not only an increase in usage, but a decline in or elimination of vandalism. End-users appreciate the convenience of being able to use credit cards, and our customers are pleased with the added safety and increased business."

"Not only does the 'e-Port' network provide the convenience of remote auditing to

ensure machines are always stocked and operating, but it gives operators greater ability to monitor security and if the machines are being tampered with," said USAT president and COO Stephen P. Herbert.

USAT reported first global brand leaders, such as Kraft Foods, Masterfoods, Mars, Inc. and Sony Electronics, are recognizing the power of wireless credit card capabilities, which adds convenience and ease of use to unattended point-of-sale terminals.

USAT recently announced a record quarter for shipments of its "e-Port" intelligent vending solutions to 19 soft drink bottlers and vending operators across the country. This announcement included the single biggest sale to a major vending machine operator. The company also reported a backlog of orders for its intelligent vending solutions, a landmark pact with an laundry service operator with 130 university laundry accounts, and growing demand for its "Business Express" self-service business center.

USA Technologies is a leader in the networking of distributed assets, wireless transactions, associated financial/network services and energy management. It provides networked credit card and other non-cash/mobile commerce systems for vending, commercial laundry, hospitality and digital imaging applications.

VAC Pilot-Tests 'VendCheck' in Philadelphia Schools

MIAMI — Vend Audit Controls, a vending machine revenue auditing and monitoring service firm, is now conducting a "VendCheck" audit pilot project for the Philadelphia school district.

"The VendCheck test in Philadelphia will allow us to showcase the benefit of having an online, centralized vending machine monitoring system," said Vend Audit Controls president Jeff Stubins. "Including the Philadelphia school district, we will have run pilots in three of the nation's 20 largest school districts, for a total of seven pilots to date. Clearly there is a need for major school districts to be able to monitor and independently verify this very important revenue source."

The school districts that have participated in these pilots represent thousands of vending machines serving hundreds of thousands of students every day. Improved monitoring and accountability could increase same-machine sales results dramatically, Stubins said.

Vend Audit Controls' proprietary "VendCheck" solution provides independent verification to ensure proper calculations of vending income and commissions. "VendCheck" uses standard vending industry DEX technology, in conjunction with DEX-capable handheld devices to monitor and track machine revenue. All the work is done with generic, typically resident vending machine hardware, making it extremely economical for operators to participate.

In fact, the vend operators serving Philadelphia were very happy to participate, and were impressed at the simplicity of using DEX. This was their first exposure to DEX and they were expecting something far worse, far more painful," said Stubins.

A "VendCheck" audit allows a school district or other client to independently determine how much cash is going into the vending machines without having to physically audit each machine. "VendCheck" gives administrators financial control over their machines, increasing accountability and, in many cases, commission fees paid

All a school has to do is to contact Vend Audit Controls and request a "VendCheck" review. Upon its completion, Vend Audit Controls will determine whether the client is owed additional commissions, and if so, to what extent; and then will take the steps necessary to recover the income.

For more information, visit the company's website, www.vendauditcontrols.com.

Ron McKenney Dies At 66

HOUSTON — Long-time vending and office coffee industry member, Ron McKenney died here on July 21. He was 66.

McKenney was founder and president of Koffe Kady (Houston, TX), an office coffee service and vending operation he founded in the mid-'60s. He joined the vending industry in the mid-1960s when he went to work for his father, Charles McKenney, at M&M Vending (Ludlow, KY). He went on to work for vending operations in Ohio, Illinois, California and El Paso, TX.

In the late 1970s, McKenney joined Data Intelligence Systems Corp. (Billerica, MA), where he was responsible for sales and product training. But his interest in operating never waned, and in the mid-'80s he established Koffe Kady, an office coffee service which has expanded into full-time vending.

A strong believer in the importance of trade associations, McKenney was a member of the National Automatic Merchandising Association, Texas

Automatic Vending Association and Greater Houston Coffee & Vending Association.

McKenney is survived by his wife and seven children, two of whom have followed him into the business.



RON MCKENNEY



ANGELA OLSON